

MONTANA LEGISLATIVE HISTORY

Chapter 473 1991

Bill H 847 S _____

Original bill & history ☒ c

H. Committee on Business & Eco. Dev. S. Committee on Judiciary

Hearing Date(s) 2-21 ☒ c

Hearing Date(s) 3-21 ☒ c

_____ c

4-01 ☒ c

_____ c

_____ c

_____ c

_____ c

Date Out _____ c

Did this bill originate in an interim committee? ☐ Yes ☐ No

Committee _____

Report _____

1 *HOUSE* BILL NO. *847*
2 INTRODUCED BY *Lee Fehnke*
3
4 A BILL FOR AN ACT ENTITLED: "AN ACT EXEMPTING SENIOR
5 CITIZEN CENTERS FROM THE LAWS GOVERNING LIVE CARD GAMES AND
6 LIVE BINGO GAMES; AND AMENDING SECTION 23-5-112, MCA."
7
8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:
9 **Section 1.** Section 23-5-112, MCA, is amended to read:
10 "23-5-112. Definitions. Unless the context requires
11 otherwise, the following definitions apply to parts 1
12 through 6 of this chapter:
13 (1) "Applicant" means a person who has applied for a
14 license or permit issued by the department pursuant to parts
15 1 through 6 of this chapter.
16 (2) "Application" means a written request for a license
17 or permit issued by the department. The department shall
18 adopt rules describing the forms and information required
19 for issuance of a license.
20 (3) "Authorized equipment" means, with respect to live
21 keno or bingo, equipment that may be inspected by the
22 department and that randomly selects the numbers.
23 (4) "Bingo" means a gambling activity played for prizes
24 with a card bearing a printed design of 5 columns of 5
25 squares each, 25 squares in all. The letters B-I-N-G-O must

1 appear above the design, with each letter above one of the
2 columns. No more than 75 numbers may be used. One number
3 must appear in each square, except for the center square,
4 which may be considered a free play. Numbers are randomly
5 drawn using authorized equipment until the game is won by
6 the person or persons who first cover a previously
7 designated arrangement of numbers on the bingo card.
8 (5) "Bingo caller" means a person 18 years of age or
9 older who, using authorized equipment, announces the order
10 of the numbers drawn in live bingo.
11 (6) "Card game table" or "table" means a live card game
12 table authorized by permit and made available to the public
13 on the premises of a licensed gambling operator.
14 (7) "Dealer" means a person with a dealer's license
15 issued under part 3 of this chapter.
16 (8) "Department" means the department of justice.
17 (9) "Distributor" means a person who:
18 (a) purchases or obtains from another person equipment
19 of any kind for use in gambling activities; and
20 (b) sells, leases, or otherwise furnishes the equipment
21 to another person for use in public.
22 (10) "Gambling" or "gambling activity" means risking
23 money, credit, deposit, check, property, or any other thing
24 of value for a gain that is contingent in whole or in part
25 upon lot, chance, or the operation of a gambling device or

1 gambling enterprise.

2 (11) "Gambling device" means a mechanical,
3 electromechanical, or electronic device, machine, slot
4 machine, instrument, apparatus, contrivance, scheme, or
5 system used or intended for use in any gambling activity.

6 (12) "Gambling enterprise" means an activity, scheme, or
7 agreement or an attempted activity, scheme, or agreement to
8 provide gambling or a gambling device to the public.

9 (13) "Gross proceeds" means gross revenue received less
10 prizes paid out.

11 (14) "Illegal gambling device" means a gambling device
12 not specifically authorized by statute or by the rules of
13 the department.

14 (15) "Illegal gambling enterprise" means a gambling
15 enterprise that violates a statute or a rule of the
16 department.

17 (16) "Keno" means a game of chance in which prizes are
18 awarded using a card with 8 horizontal rows and 10 columns
19 on which a player may pick up to 10 numbers. A keno caller,
20 using authorized equipment, shall select at random at least
21 20 numbers out of numbers between 1 and 80, inclusive.

22 (17) "Keno caller" means a person 18 years of age or
23 older who, using authorized equipment, announces the order
24 of the numbers drawn in live keno.

25 (18) "License" means an operator's, dealer's, or

1 manufacturer-distributor's license issued to a person by the
2 department.

3 (19) "Licensee" means a person who has received a
4 license from the department.

5 (20) "Live card game" or "card game" means a card game
6 that is played in public between persons on the premises of
7 a licensed gambling operator.

8 (21) "Lottery" or "gift enterprise" means a scheme, by
9 whatever name known, for the disposal or distribution of
10 property by chance among persons who have paid or promised
11 to pay valuable consideration for the chance of obtaining
12 the property or a portion of it or for a share or interest
13 in the property upon an agreement, understanding, or
14 expectation that it is to be distributed or disposed of by
15 lot or chance. However, "gift enterprise" does not mean:

16 (a) lotteries authorized under part 10 of this chapter;
17 or

18 (b) cash or merchandise attendance prizes or premiums
19 that the county fair commissioners of agricultural fairs and
20 rodeo associations may give away at public drawings at fairs
21 and rodeos.

22 (22) "Manufacturer" means a person who assembles from
23 raw materials or subparts a completed piece of equipment or
24 pieces of equipment of any kind to be used as a gambling
25 device.

(23) "Operator" means a person who purchases, receives, or acquires, by lease or otherwise, and operates or controls for use in public, a gambling device or gambling enterprise authorized under parts 1 through 6 of this chapter.

(24) "Permit" means approval from the department to make available for public play a gambling device or gambling enterprise approved by the department pursuant to parts 1 through 6 of this chapter.

(25) "Person" or "persons" means both natural and artificial persons and all partnerships, corporations, associations, clubs, fraternal orders, and societies, including religious and charitable organizations.

(26) "Premises" means the physical building or property within or upon which a licensed gambling activity occurs, as stated on an operator's license application and approved by the department.

(27) "Public gambling" means gambling conducted in:

(a) a place, building, or conveyance to which the public has access or may be permitted to have access; or

(b) a place of public resort, including but not limited to a facility owned, managed, or operated by a partnership, corporation, association, club, fraternal order, or society, including a religious or charitable organization.

(28) "Raffle" means a gift enterprise in which each participant buys a chance or chances to win a prize.

(29) "Senior citizen center" means a facility operated by a nonprofit or governmental organization that provides services to senior citizens in the form of daytime or evening educational or recreational activities and does not provide living accommodations to senior citizens. Services qualifying under this definition must be recognized in the state plan on aging adopted by the department of family services.

~~†29†~~(30) "Slot machine" means a mechanical, electrical, electronic, or other gambling device, contrivance, or machine that, upon insertion of a coin, currency, token, credit card, or similar object or upon payment of any valuable consideration, is available to play or operate, the play or operation of which, whether by reason of the skill of the operator or application of the element of chance, or both, may deliver or entitle the person playing or operating the gambling device to receive cash, premiums, merchandise, tokens, or anything of value, whether the payoff is made automatically from the machine or in any other manner. This definition does not apply to video gambling machines authorized under part 6 of this chapter.

~~†30†~~(31) "Video gambling machine" is a gambling device specifically authorized by part 6 of this chapter and the rules of the department."

NEW SECTION. **Section 2.** Exemption from part. A senior

1 citizen center is exempt from this part if the center:

2 (1) limits participation in live card games to its
3 members and members' guests; and

4 (2) limits live card game activities to its main
5 premises or place of operation.

6 NEW SECTION. **Section 3. Exemption from part.** A senior
7 citizen center is exempt from this part with respect to live
8 bingo games if the center:

9 (1) limits participation in live bingo games to its
10 members and members' guests; and

11 (2) limits live bingo games to its main premises or
12 place of operation.

13 NEW SECTION. **Section 4. Codification instruction.** (1)
14 [Section 2] is intended to be codified as an integral part
15 of Title 23, chapter 5, part 3, and the provisions of Title
16 23, chapter 5, part 3, apply to [section 2].

17 (2) [Section 3] is intended to be codified as an
18 integral part of Title 23, chapter 5, part 4, and the
19 provisions of Title 23, chapter 5, part 4, apply to [section
20 3].

-End-

5/03 SIGNED BY SPEAKER
 5/03 SIGNED BY PRESIDENT
 5/03 TRANSMITTED TO GOVERNOR
 5/15 SIGNED BY GOVERNOR
 CHAPTER NUMBER 761

EFFECTIVE DATE: 5/15/91

HB 847 INTRODUCED BY LEE, ET AL.

EXEMPT SENIOR CITIZENS' CENTERS FROM
 LIVE CARD GAME AND BINGO LAWS

2/14	INTRODUCED		
2/14	REFERRED TO BUSINESS & ECONOMIC DEVELOPMENT		
2/14	FIRST READING		
2/21	HEARING		
2/22	COMMITTEE REPORT—BILL PASSED AS AMENDED		
2/25	2ND READING PASSED	91	6
2/26	3RD READING PASSED	92	7
	TRANSMITTED TO SENATE		
2/26	FIRST READING		
2/26	REFERRED TO JUDICIARY		
3/21	HEARING		
4/01	COMMITTEE REPORT—BILL CONCURRED AS AMENDED		
4/04	2ND READING CONCURRED	49	0
4/05	3RD READING CONCURRED	50	0
	RETURNED TO HOUSE WITH AMENDMENTS		
4/10	2ND READING AMENDMENTS CONCURRED	96	2
4/11	3RD READING AMENDMENTS CONCURRED	91	7
4/16	SIGNED BY SPEAKER		
4/16	SIGNED BY PRESIDENT		
4/16	TRANSMITTED TO GOVERNOR		
4/17	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 473		

EFFECTIVE DATE: 10/01/91

HB 848 INTRODUCED BY BARDANOUE

CREATE DEPARTMENT OF CORRECTIONS
 BY REQUEST OF DEPARTMENT OF INSTITUTIONS

2/14	INTRODUCED		
2/14	REFERRED TO STATE ADMINISTRATION		
2/14	FIRST READING		
2/14	FISCAL NOTE REQUESTED		
2/18	FISCAL NOTE RECEIVED		
2/19	FISCAL NOTE PRINTED		
2/20	HEARING		
2/20	COMMITTEE REPORT—BILL PASSED		
2/25	2ND READING PASSED	97	2
2/26	3RD READING PASSED	97	2
	TRANSMITTED TO SENATE		
2/26	FIRST READING		
2/26	REFERRED TO STATE ADMINISTRATION		
3/13	HEARING		
3/13	COMMITTEE REPORT—BILL CONCURRED		
3/15	2ND READING CONCURRED	46	2
3/16	3RD READING CONCURRED	49	0
	RETURNED TO HOUSE		
3/22	SIGNED BY SPEAKER		
3/23	SIGNED BY PRESIDENT		
3/25	TRANSMITTED TO GOVERNOR		
3/29	SIGNED BY GOVERNOR		
	CHAPTER NUMBER 262		

EFFECTIVE DATE: 7/01/91

CHAIRMAN--BOB BACHINI

NORMAL SCHEDULE==> SITE: ROOM 312-3

DAYS: M,T,W,T,F

TIME: 8:00 A.M.

SECRETARY-JO LAHTI

--BILL NO--	REFER DATE	HEARING DATE	CONSIDERATION DATES	COMMITTEE ACTION	REFERRER TO COMM	DATE OUT
HB0847	2/14	2/21		PASS AS AMENDED		2/22
LEE, THOMAS			EXEMPT SENIOR CITIZENS' CENTERS FROM LIVE CARD GAME & BINGO LAWS			
HB0854	2/14	2/22		PASS AS AMENDED		2/22
FOSTER, MIKE			INSURANCE FUNDING FOR LONG-TERM CARE THROUGH LIFE INSURANCE PRODUCTS			
HB0861	2/14	3/08		ADV RPT REJECTED		3/13
SWYSGOOD, CHARLES			10% OF ACCOMMODATION TAX TO REDEEM BONDS FOR CONSTRUCTING VISITOR CENTERS			
HB0863	2/14	2/19		PASS AS AMENDED		2/20
BROWN, DAVE			AUTHORIZING TAX CREDITS FOR SMALL BUSINESS INVESTMENT COMPANY			
HB0870	2/14	2/20		DO PASS		2/20
JOHNSON, ROYAL			REVISE LICENSING FOR ACUPUNCTURE & PODIATRY; REVISE COMPLAINTS RE DRS.			
HB0879	3/20	3/22		TABLED ON 03/22		
HARRINGTON, DAN			ALLOW ECONOMIC DEVELOPMENT APPROPRIATIONS TO PRIVATE ENTITIES			
HB0901	2/16	3/08		PASS AS AMENDED		3/13
BARDANOUE, FRANCIS			GENERALLY REVISE MONTANA CAPITAL COMPANY ACT			
HB0905	2/16	3/13		PASS AS AMENDED	APPROPRIATIONS	3/25
BRADLEY, DOROTHY			BUILDING A NEW CENTURY			
HB0932	2/18	2/22		TABLED ON 02/22		
DEBRUYCKER, ROGER			ALLOW COMBINATION GAMBLING MACHINES			
HB0943	2/19	2/21		PASS AS AMENDED		2/22
DAVIS, ERVIN			GENERALLY REVISE THE LAWS RELATING TO LICENSING OF SANITARIANS			
HB0953	2/20				APPROPRIATIONS	
RICE, SHEILA			APPROPRIATE FUNDS FOR ANNUAL INSPECTIONS OF COSMETOLOGICAL ESTABLISHMENTS			

the largest Cable operator in the Country. It was born in Montana. Its corporate officers are Montanans.

REP. PAVLOVICH asked if there were regulations on how many channels there are on the system. Mr. Harrison said he didn't think there was a regulation, but there is a practical limit of thirty. If you had the money, you could put in 100 channels.

REP. ELLIS asked if he would support this measure, if it were amended, if they couldn't go in the areas currently served by the cable. REP. MENAHAN said he would go on population for the smaller areas. He thought it is in the bigger areas and larger cities and he would not want the small ones excluded.

REP. LARSON asked if he would support a need and convenience test of some sort. REP. MENAHAN said yes.

Closing by the Sponsor: REP. MENAHAN said he had introduced a bill to control cable television in the 70s. During the 80s regulations were established. He said cable television has the government representing them. He said millions of dollars were spent in Washington D.C. to defeat the issue of free competition. He said they have been to the Montana Legislature to tell the other side of the story. He said Montana is being had. Many small areas would not even have electricity if it weren't for co-operatives and government help. He said radio air waves were scrambled. If people go on vacation there are no provisions for cable to be limited. If channels are out there are still charges for cable.

HEARING ON HB 847

Opening by the Sponsor:

REP. THOMAS LEE, HD 49, Bigfork, said HB 847 will exempt senior citizens from licensure, permit fees and taxes on their card games and bingo games. The amendments have been offered by the Gaming Control Commission. The games have involved less than \$100. EXHIBIT 11.

Proponents' Testimony:

Hank Hudson, Governor's Coordinator on Aging, said during last session they had not realized the social activities of the senior citizens would also come under that legislation. They found it difficult to comply with the legislation. They agree with the gambling control philosophy. They agree the public needs protection and control over the growth of gambling. In senior centers they were talking about small sums of money and a lack of serious competition. They operate senior centers to offer socialization. This legislation came out of the Legacy Legislature.

Randy Satellite, Aging Director, Cascade County, said he represents that agency and the Montana Area Agencies on Aging.

Bingo is a major pastime at senior centers. He said they had pinochle games with twenty tables. To continue those games it would have cost them \$10,000. There was no profit nor any benefit to anyone except for a recreational activity. The 501 (C)(3) was interesting because not all of them are non-profit. Many are connected to governmental agencies, and governmental agencies cannot be a 501(C)(3). He thinks it would be wise to exempt the senior centers.

Duane Ludke, Director of Area 6, Agency on Aging, said he supports the bill.

Bob Robinson, Administrator, Gambling Control Division, said when SB 431 was enacted during the 1989 Legislature, it focused nearly entirely on the commercial gambling aspects. All regulations and requirements of their agency were directed toward commercial gambling enterprises. Through oversight, social games were not included. As they began the licensing process, it became clear that even though senior citizen centers could become licensed for no cost or taxes, the licensing requirements that have to be applied to everyone were significant for the senior citizens. The law is strict with card games. They support the concept of exempting senior citizens from the poker, bingo license and the fee and tax requirements. The way the bill is drafted says "all of the requirements". They are somewhat concerned about that, in that, it goes beyond the license and the fee and the dealer requirements. It would allow unlimited bingo games and unlimited pots in poker games. It would exempt them from the limited games the law allows. It could allow other types of banking card games if all of the regulation is removed. They support the amendments and with that it would provide an option for recreational senior citizen centers.

Larry Akey, Gaming Industry Association of Montana and the Montana Tavern Association, said they support the concept contained in HB 847. They had some serious concerns with the original drafting. The amendments proposed by the sponsor go a long way toward solving those concerns. They still have a few concerns about the bill. Even with the sponsors' amendments, there is still the ability under the bill to turn a senior citizen center into a poker card room. He was not saying that any of the proponents would do that, but the Committee needs to be conscious that would be a possibility under the bill. There are two other bills in House Judiciary. Both are considered appropriations or revenue bills that he thinks deal with the problem in a better fashion. It is more expansive than this bill, in that it addresses not only senior citizen's centers but also retirement homes and long-term care facilities. It takes the games that are social card games that are in the statute identified as gambling and moves them into a separate category as social card games. Poker and pan, the two commercial card games are under strict regulation. He thinks those bills address the concerns in a better fashion than HB 847, even with the sponsor's amendment. He still would urge them to adopt the sponsor's

amendment and pass HB 847.

Opponent's Testimony: None

Questions from the Committee:

REP. LARSON said he owns a tavern. When the senior citizens in his area have a bingo game, he said he might as well close. He said it is not inclusive of just senior citizens, nearly everyone in town goes to the game. He asked about a penalty provision to penalize the senior citizen center when it advertises a bingo night for everybody in town. Mr. Robinson said the current law with non-profit charitable bingo organizations does allow them to operate in a commercial atmosphere. This bill would be limited to those locations that are just for members of the senior citizens and their friends. The last amendment basically says that if it is operated in a predominantly commercial manner, which they would define as advertising to get people in or promoting the game, as a commercial business, then they would be in violation of the section. There is the capability in the current law for a non-profit to operate in a commercial manner. REP. LARSON asked if he would object to a penalty provision. Mr. Robinson said that was a policy decision that the Legislature makes. If there is penalty provision of some type, they would enforce it.

REP. DOWELL asked if a senior citizen center advertised, was that commercial. He said in Kalispell every grocery store has a poster about bingo night at the senior center. Mr. Robinson said they can do that now if they are licensed. They are exempt from taxes and from the permit fees if they meet certain requirements. That provision was added in 1989 for the express purpose of allowing the Big Brothers and Sisters in Missoula to operate a commercial bingo operation which was one of the largest in that community.

REP. PAVLOVICH asked what the age limits are for the bill. Mr. Robinson said he should ask the sponsor. He didn't know if that would cause a problem.

REP. CROMLEY asked what is a senior citizen by statute? Mr. Hudson said a senior citizen under their laws and regulations is someone sixty years of age or older. Mr. Satellite said senior citizens are labeled at different ages. He said each senior center decides on the age. AARP uses 50. He said in Great Falls they have a public building, so nobody could be excluded.

REP. LARSON asked for his opinion on the bill. Mr. Warner said he had been silent by intention. The Association of Churches did not see this bill as an increase in gambling. It was that simple.

REP. CROMLEY asked if there was anything in the law to define senior citizen. Mr. Hudson said most of their money is federal money. It says people will be served with meals or transportation or home health or senior centers if they are sixty years of age or older and fees cannot be charged. If other people want to

participate and they can be accommodated for other age groups, they will but they will be charged for the services. Communities design their own programs. Any age group can belong. They do encourage seniors to bring relatives. The age limit may be a complicated factor and they would have to check identification.

CHAIRMAN BACHINI asked which churches he represents. **Mr. Warner** said he would use his business card. He represents the American Baptist Church of the Northwest, the Christian Church Disciples of Christ, Episcopal Church, Diocese of Montana, The Evangelical Lutheran Church in America, Montana Synod, the Presbyterian Church U.S.A., Glacier Presbyterian, the Yellowstone Presbyterian, the Roman Catholic Church statewide, the United Church of Christ and the United Methodist Church. There are approximately 600 churches throughout the state. There are 200,000 members.

REP. PAVLOVICH asked if he said he would like to see the churches give up all forms of bingo and keno. **Mr. Warner** said that was his personal opinion. They are opposed to increases in gambling. They are not opposed to gambling across the board.

CHAIRMAN BACHINI said he thought that he represented the Association of Churches. **Mr. Warner** said that was correct.

REP. SCOTT asked what was a predominantly commercial manner. **Mr. Robinson** said that was a tough question to answer. He said he isn't sure if it is defined in the law anywhere but it is used elsewhere in the gambling law. It would be those characteristics that would indicate a commercial operation: advertising, bringing in people other than friends, various kinds of promotions, paying salaries and soliciting public participation.

Paul Verdon said he had checked Chapter 5, Title 23, and did not find any reference to clarify what "predominantly commercial manner is". He asked if there was a judicial decision to spell that out. **Mr. Robinson** said there was no decision. The language was in 5-23. **Mr. Verdon** said he stood to be corrected but he had not found it. **Lois Menzies** said she had not meant to mislead **Mr. Verdon** but it is used in 23-5-406 in reference to charitable organizations that are exempt from the permit fee and taxes for live bingo and keno. **Mr. Verdon** said he was pointing this out to the Committee to see if they want to be more specific about the exemption.

REP. SCOTT asked if a cash register indicates it is a commercial manner and if it is a cigar box it is not.

REP. STELLA JEAN HANSEN asked if the age used by the Department of Family Services for a senior citizen put the age at 60. **Mr. Hudson** said the State Plan on Aging addresses services to individuals who are 60. It wouldn't preclude people under 60 from playing the game. It is available to all age groups.

REP. ELLIS asked if the researcher might be able to figure out a way to define that in a substantially commercial manner.

Closing by Sponsor:

REP. LEE closed saying the Committee knew what the bill tries to do.

HEARING ON HOUSE BILL 943

Presentation and Opening Statement by Sponsor:

REP. ERVIN DAVIS, HD 53, Charlo, explained this is an act to generally revise the laws relating to the licensure and regulation of sanitarians; authorizing the Board of Sanitarians to meet four times annually; clarifying the definition of practice of the profession of sanitarian; providing for the status of sanitarian-in-training; exempting certain state employees from regulation; clarifying and detailing the rulemaking authority of the Board of Sanitarians; authorizing rules for educational equivalency, continuing education, and discipline; authorizing the adoption of a schedule of fees; authorizing enforcement by injunction and other relief; amending several Section of Title 37, MCA; repealing Sections 37-40-306 and 37-40-307, MCA; and providing an effective date. It is a clean up bill. There are some amendments EXHIBIT 12.

Proponents' Testimony:

Joanne C. Chance, PE, Montana Technical Council, an association of engineers, architects supports HB 943 if amended. In the past sanitarians inspected septic systems. A lot of people such as private consultants inspected underground storage tanks and underground water systems. They are specialists who are highly skilled technicians, or they were working for industry and know the intention of the bill. These people are already highly qualified and there is no need to get them registered as sanitarians. She agreed with the amendment proposed that anyone working for a governmental agency be exempted. The bill would still do what they wish it to do.

Pat Tressler, Board of Sanitarians, said this is a general revision. It has been at least 10 years since there has been a change. Complexity and technology have changed in that time. The profession has changed, continuing education as to continuing other professional lines is necessary. This particular bill was actually drafted and new language provided is the result of about a year's work with the Montana Health Association. They met with their administrative people and there groups as a whole providing language in this bill in draft form. As a It is the intent to work with sanitarians to and to work with the environmental people. The environment is one of the hottest issues today.

Steve Meloy, Bureau Chief of the Sanitarian Licensing Division,

DOC, said the cost of the Continuing Education Program is in the ball park of \$3,000 each year. See Fiscal Note EXHIBIT 13. The Board of Sanitariums has around an \$800-900 appropriation and they have \$22,000 in the cash surplus so they could readily absorb this.

REP. STELLA JEAN HANSEN wanted to go on record as a proponent.

Opponents' Testimony: None

Questions from the Committee:

REP. CROMLEY asked what is vector control. Ms. Chance said it is the removal of rats that transmit food born diseases.

REP. BACHINI said on Page 8 it says the Board shall adopt nonrefundable fees. What are those fees? Mr. Meloy assumes they are for executing rules to govern conducting examinations of these applicants if they need to increase these fees. Where they are expending more than they have available they can set up fees for those things. The licensee will pay the fee when the license is renewed.

Closing by Sponsor:

REP. DAVIS closed saying the fiscal note came as a surprise. He suggested a Do Pass recommendation.

EXECUTIVE ACTION ON HOUSE BILL 943

Motion/Vote: REP. CROMLEY moved HB 943 DO PASS. He also moved the amendments be adopted. Both the amendments and the HB 943 DO PASS AS AMENDED motion were unanimously adopted.

EXECUTIVE ACTION ON HOUSE BILL 847

Motion/Vote: REP. KILPATRICK moved HB 847 DO PASS. He moved the amendments EXHIBIT 14 be adopted. They were unanimously adopted.

Discussion:

REP. TUNBY is in favor of what they are trying to do. There are different advantages coming in. It might get a little out of control.

REP. RICE thinks bingo is a pretty lucrative game. The services have to be provided to members or members guests and have to be on the premises. It seems there are enough safeguards that we are limiting it to what we envision.

REP. STELLA JEAN HANSEN said the definition of a senior citizen according to the Department of Health is someone over 60 years of age.

REP. LARSON will reluctantly vote for it. It will cause problems with his business. It is predominantly commercial because they use it for fund raising. It allows anyone who walks through the door to play.

REP. BENEDICT thought the genie is already out of the box. All they have to do is apply for a permit and this allows them not to have to apply for a permit.

REP. KNOX had some reservations about the bill. The amendments worsen it. He thinks there is an element of trust here. The senior citizens groups could be trusted not to abuse this.

REP. BACHINI said the Justice Department will watch very closely and if necessary, will shut them down.

REP. TUNBY asked what is the purpose for this, they just have to apply for a permit and get it.

REP. BENEDICT said you don't have to apply for a permit when people are allowed to be there when they just show up.

EXECUTIVE ACTION ON HB 707

Motion/Vote: REP. PAVLOVICH moved HB 707 DO PASS. He moved to repeal 7-13-2511 and amend the Title. Amendment was adopted with REPS. KNOX, BENEDICT, STEPPLER, BARNETT, ELLIS, TUNBY voting No.

Motion: REP. ELLIS moved to add Subsection (1) to Section 1. It would state "It is not the purpose of this legislation to replace private cable systems with public and therefore television districts would not be allowed in a community of more than 200 people in a square mile area."

Discussion:

REP. ELLIS said in his county Red Lodge is the biggest community with 1800 people having cable. Bridger has 700 people with cable. Belfry just got cable. They have 200-250 people. There are options and there is competition. He doesn't think they are completely without alternatives.

REP. PAVLOVICH asked if he were excluding all major cities. REP. ELLIS said if there are 200 people they would already have a cable station. REP. PAVLOVICH said he would vote no. Mr. Verdon clarified that would be Subsection (2) not Subsection 1. REP. ELLIS said he apologized.

REP. DOWELL said he also resisted the amendment.

REP. TUNBY asked if he were going to pursue the need. REP. LARSON said in Public Service regulation almost all public utilities have to show need and convenience. He thought they could

BUSINESS AND ECONOMIC DEVELOPMENT COMMITTEE

DATE Feb. 21, 1991

[illegible]

1000
2-22-91
JDB

HOUSE STANDING COMMITTEE REPORT

February 22, 1991

Page 1 of 1

Mr. Speaker: We, the committee on Business and Economic Development report that House Bill 847 (first reading copy -- white) do pass as amended .

Signed: _____

Bob Bachini
Bob Bachini, Chairman

And, that such amendments read:

1. Title, line 5.

Strike: "THE"

Insert: "CERTAIN"

2. Page 6, line 25 and page 7, line 6.

Strike: "part"

Insert: "certain sections"

3. Page 7, lines 1 and 7.

Strike: "this part"

Insert: "23-5-306, 23-5-308, and 23-5-309"

4. Page 7, lines 3 and 10.

Strike: "and"

5. Page 7, lines 5 and 12.

Following: "operation"

Insert: "; and

(3) does not operate live card games in a predominantly commercial manner"

STATE OF MONTANA
DEPARTMENT OF JUSTICE
GAMBLING CONTROL DIVISION

EXHIBIT 11
DATE 2/21/91
847

Marc Racicot
Attorney General



2687 Airport Road
Helena, MT 59620-1424

Testimony on House Bill 847 (HB 847)

Submitted by Robert J. Robinson, Administrator
Gambling Control Division, Department of Justice
February 21, 1991

The Department of Justice supports the intent of HB 847 to exempt senior citizen centers from the licensing and taxation requirements for bingo and poker games as well as the dealer requirements for poker games.

In 1989, the Legislature enacted SB 431, a comprehensive revision of the State's gambling laws. SB 431 focused its regulatory requirements on commercial establishments. No options were available under the laws for treating non-commercial activities in a different manner.

During implementation of SB 431 after the 1989 Legislature, the Division held numerous meetings and discussions with representatives of senior citizen centers who strongly objected to filing application documents for bingo permits, even though the permits were free and proceeds from the game were exempt from taxation. The statutory permit requirements for live card game tables prevented the Division from issuing card table permits to senior citizen centers.

The Department supports the concept of exempting senior citizen centers from certain regulatory provisions but believes the exemption language in sections 2 and 3 of the bill is broader than necessary. To exempt bingo and poker from all provisions of law relating to bingo and poker essentially creates a situation where game limits and game types are undefined.

The Department supports the amendments provided that would limit the exemptions to licensing, permits, taxation and dealer requirements. The remainder of the statutory provisions would remain in effect governing types of card games allowed and bet and prize limits as they are currently in the law.

HB847.RJR
RJR/dcg

HOUSE OF REPRESENTATIVES

VISITOR'S REGISTER

HB 774
HB 847

BUSINESS & ECONOMIC DEVELOPMENT

COMMITTEE

BILL NO.

DATE FEB. 21, 1991

SPONSOR(S)

REP. ROYAL JOHNSON

REP. LEE

PLEASE PRINT

PLEASE PRINT

PLEASE PRINT

NAME AND ADDRESS	REPRESENTING	BILL	OPPOSE	SUPPORT
HANK HUDSON	Gov. Office on Aging	847		—
TIM DANA		774		✓
Kay Foster	Billings Chamber	774		✓
LARRY AKEY	GAMING INDUSTRY ASSOC	847		AMD
Candy Barnett	Aging Services	847		✓
BOB ROBINSON, ADMIN.	GAMBLING CONTROL DIV.	847 774		✓ ✓
Dwaine Lutke,	Alco IT Agency & Regs	847		✓
Mark Stapp	WATA			AMD

PLEASE LEAVE PREPARED TESTIMONY WITH SECRETARY. WITNESS STATEMENT FORMS ARE AVAILABLE IF YOU CARE TO SUBMIT WRITTEN TESTIMONY.

MONTANA LEGISLATIVE COUNCIL BILL STATUS SYSTEM
 FINAL COMMITTEE REPORT OF REFERRED BILLS
 COMMITTEE--(S) JUDICIARY

PAGE NBR..... 10
 RUN TIME09:18
 RUN DATE.... 05/20/91

CHAIRMAN--RICHARD PINSONEAULT
 NORMAL SCHEDULE==> SITE: ROOM 325

DAYS: M,T,W,T,F

TIME: 10:00 A.M.

SECRETARY--JOANN BIRD

BILL NO	REFER DATE	HEARING DATE	CONSIDERATION DATES	COMMITTEE ACTION	REREFERRED TO COMM	DATE OUT
HB0773	2/27	3/26		CONCUR AS AMENDED		4/01
STICKNEY, JESSICA			PROVIDE PERSON DETAINED UNDER INVOLUNTARY COMMITMENT STATUTE BE READ RIGHTS			
HB0776	2/26	3/27	4/1	CONCUR AS AMENDED		4/04
BERGSAGEL, ERNEST			REVISE SALE PROCEDURE FOR UNCLAIMED PROPERTY HELD IN STORAGE			
HB0778	4/04	4/10		CONCUR		4/11
BROWN, DAVE			RECREATIONAL USE OF STATE LANDS			
HB0797	2/27	3/18	4/3	TABLED ON 04/10		
RUSSELL, ANGELA			ALLOW INDIANS TO WITHDRAW CONSENT TO STATE JURISDICTION ON FLATHEAD RESERV.			
HB0825	2/26	3/28		CONCUR AS AMENDED		4/04
BROWN, DAVE			REVISE CONCEALED WEAPON PERMIT LAW			
HB0839	2/27	3/21		TABLED ON 03/23		
LEE, THOMAS			INCARCERATE PERSON NOT COMPLETING TREATMENT PAST TIME SENTENCE WOULD EXPIRE			
HB0847	2/26	3/21		CONCUR AS AMENDED		4/01
LEE, THOMAS			EXEMPT SENIOR CITIZENS' CENTERS FROM LIVE CARD GAME & BINGO LAWS			
HB0864	2/25	3/20		CONCUR		3/20
GOULD, BUDD			SUPREME COURT ADMINISTRATOR TO ADMINISTER DISTRICT COURT FUNDING			
HB0887	2/27	3/27		CONCUR		4/04
WHALEN, TIM			SET LIMITS ON DISCOVERY IN CIVIL ACTIONS			
HB0903	4/05	4/11		CONCUR AS AMENDED		4/12
COBB, JOHN			CREATE A COURT AUTOMATION ACCOUNT AND COURT AUTOMATION FEES			
HB0915	2/26	3/22		CONCUR		3/22
CODY, DOROTHY			AMEND UNIFORM CRIMINAL EXTRADITION ACT TO INCLUDE INDIAN TRIBES IN MONTANA			

MINUTES

MONTANA SENATE 52nd LEGISLATURE - REGULAR SESSION

COMMITTEE ON JUDICIARY

Call to Order: By Chairman Dick Pinsoneault, on March 21, 1991, at 10:05 a.m.

ROLL CALL

Members Present:

Dick Pinsoneault, Chairman (D)
Bill Yellowtail, Vice Chairman (D)
Robert Brown (R)
Bruce Crippen (R)
Steve Doherty (D)
Lorents Grosfield (R)
Mike Halligan (D)
John Harp (R)
Joseph Mazurek (D)
David Rye (R)
Paul Svrcek (D)
Thomas Towe (D)

Members Excused: none

Staff Present: Valencia Lane (Legislative Council).

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Announcements/Discussion: none

HEARING ON HOUSE BILL 847

Presentation and Opening Statement by Sponsor:

Representative Tom Lee, District 49, told the Committee that, as a result of gambling legislation passes last session, there is no exemption for non-commercial activity such as games played in senior citizen service centers. He explained that HB 847 allows these games, but other limits remain in effect.

Representative Lee provided a technical amendment (Exhibit #1).

Proponents' Testimony:

There were no proponents of the bill.

Opponents' Testimony:

There were no opponents of the bill.

Questions From Committee Members:

Senator Mazurek asked for comments from the Gambling Control Division. Lois Menzies said she spoke with the sponsor, who objected to the exclusion of card games and bingo. She said the bill was amended in the House, and that the Division had no problem with those amendments. Mr. Menzies stated that Representative Lee's amendment clears up a technical problem.

Closing by Sponsor:

Representative Lee made no closing comments.

HEARING ON HOUSE BILL 839Presentation and Opening Statement by Sponsor:

Representative Tom Lee, District 49, told the Committee HB 839 is a House Judiciary Committee bill, resulting from a number of requests to increase misdemeanor sentences. He explained that judges can't sentence people to enough time to complete treatment programs. He said the House Judiciary Committee recognized this need, addressed in language at the bottom of page 4 and the top of page 5 in the bill.

Proponents' Testimony:

There were no proponents.

Opponents' Testimony:

There were no opponents.

Questions From Committee Members:

Chairman Pinsoneault commented that the bill would extend from one to three years, the amount of time over which a judge has control over a defendant. He said this would be a problem with limited jurisdiction courts.

Senator Towe asked what "if otherwise prohibited by law" means. Representative Lee replied he could not answer, and said Representative Toole has the legal information on this bill.

Senator Towe asked Representative Lee how he would respond to Chairman Pinsoneault's question. Representative Lee replied the primary thrust is the justice of the peace courts who want to be able to sentence people to treatment programs. He explained that some of these programs go beyond one year (such as those for sex offenders).

Senator Mazurek asked if the House Judiciary Committee considered DUI offenders which must be disposed of within 1809

Mike Voeller, Lee Enterprises, said he supported the Section 3 amendment. He told the Committee that Steve Brown, who wrote this legislation, disagreed with Judge Green, and that the amendment clarifies two opposing sections of law.

Opponents' Testimony:

There were no opponents of the bill.

Questions From Committee Members:

There were no questions from the Committee.

Closing by Sponsor:

Representative Pavlovich made no closing comments, but thanked the Committee for the hearing.

EXECUTIVE ACTION ON HOUSE BILL 847

Motion:

There was no motion on the bill.

Discussion:

Senator Grosfield asked if the intent were to allow games to be played at senior citizen centers, and said he didn't believe the bill allows poker unless there is a licensed gambling operator, (pages 6-7).

Valencia Lane reported that the bill was amended by Lois Menzies, so the section numbers have to be changed. She said 309 is coming out of the bill.

Senator Mazurek said 408 pertains to hours of play.

Senator Grosfield asked Representative Lee if the intent was to eliminate licensing fees for senior citizen centers or to allow poker. Representative Lee replied that senior citizen centers are exempt from application, licensing, permits, and tax, but all other gaming regulations apply. He said it was not his intent that they play poker.

Senator Towe referred to Section 2, page 7, lines 6-7, exempting senior citizen centers if they limit live card games to their facilities. Representative Lee replied he would have to ask the gaming people, and said he did not have the expertise to answer.

Senator Towe asked Representative Lee to state exactly what he did want. Representative Lee replied he wanted the bill to exempt

senior citizen center from applications, permits, licensing, and taxes.

Senator Towe asked if he intended to limit "pots". Representative Lee replied that everything in current gaming statutes applies to this bill.

Amendments, Discussion, and Votes:

There were none.

Recommendation and Vote:

No further action was taken on HB 847 this date.

HEARING ON HOUSE BILL 494

Presentation and Opening Statement by Sponsor:

Representative Mark O'Keefe, District 45, said the bill started with the statewide DUI Task Force, which is about to lose federal dollars for community services. He explained that the Task Force would be funded by an increase (from \$50 to \$100) in the drivers' license reinstatement fee.

Representative O'Keefe reported that Representative Dave Brown amended the bill in the House (57-43) to state that these funds would go to county treasurers, and that county commissioners would distribute them to a variety of programs, such as alcohol treatment, DARE, and law enforcement education. Representative O'Keefe recommended striking that amendment.

Proponents' Testimony:

Albert Goke, Administrator, Highway Safety Division, DOH, advised the Committee that federal incentive dollars were made available to the states for DUI task forces, but cease on July 1, 1991. He said the bill keeps the DUI Task Force as it is, and that 61-2-106, MCA, makes clear the intent of the law (Exhibit #2). Mr. Goke stated there was a 39 percent decrease in alcohol-related accidents in Montana in 1989. He stated that 70 percent of that decrease comes from DUI Task Force counties, and that if 61-2-106, remains in the law, but there is no money, there is no way to carry it out.

Mike Ruppert, President, Chemical Dependency Programs of Montana, and Director, Body Andrew Center, said he is also a member of the DUI Task Force, and supports HB 494 with the amendment proposed by Representative O'Keefe. He provided a graph of DUIs referred to Boy Andrew Center court school (Exhibit #4), and said this means spending money for equipment.

Mr. Ruppert stated that the House amendment will decimate the Task Force, as funding could be affected by local political

ROLL CALL

SENATE JUDICIARY

COMMITTEE

52nd LEGISLATIVE SESSION -- 1991

Date 31 Mar 91

NAME	PRESENT	ABSENT	EXCUSED
Sen. Pinsoneault	✓		
Sen. Yellowtail	✓		
Sen. Brown	✓		
Sen. Crippen			
Sen. Doherty	✓		
Sen. Grosfield	✓		
Sen. Halligan	✓		
Sen. Harp	✓		
Sen. Mazurek	✓		
Sen. Rye	✓		
Sen. Svrcek	✓		
Sen. Towe	✓		

Each day attach to minutes.

SPONSOR AMENDMENTS TO HOUSE BILL NO. 847

(Third Reading Copy -- Blue)

1. Page 7, line 12.

Strike: "23-5-306" through "23-5-309"

Insert: "\"23-5-406, 23-5-407, and 23-5-409"

EX-1
21 Mar 91
HB 847

Senator Mazurek said he was concerned about elderly people being duped by the forms. Senator Towe replied that a general power of attorney is even more broad.

Chairman Pinsoneault suggested limiting the form to the military.

Senator Mazurek commented that California now has a statutory will.

Senator Grosfield commented that the checklist on page 3 should provide for initials by the checkmarks made.

Recommendation and Vote:

Senator Halligan made a motion that HB 942 BE CONCURRED IN AS AMENDED. The motion carried with all members voting aye except Senators Grosfield, Harp, and Pinsoneault who voted no. Senator Halligan was asked to carry the bill.

EXECUTIVE ACTION ON HOUSE BILL 747

Motion:

Discussion:

Amendments, Discussion, and Votes:

Senator Towe explained his amendments (Exhibit #6), and said he does not believe this should be mandated a second time when it is already being done.

Senator Towe made a motion to approve his amendments. The motion carried unanimously.

Senator Mazurek asked what the rationale was for putting other alternatives in the bill, and said it is not appropriate. Chairman Pinsoneault replied that this is addressed in HB 272.

Recommendation and Vote:

Senator Towe made a motion that HB 747 BE CONCURRED IN AS AMENDED. The motion carried unanimously.

EXECUTIVE ACTION ON HOUSE BILL 847

Motion:

Discussion:

Amendments, Discussion, and Votes:

Senator Towe stated that the senior citizens do not want to be under gaming regulation. He explained his amendments (Exhibit #7) which exempt seniors from the card game and bingo sections of the law, and change "license" to "permit".

Senator Mazurek commented that the amendment does what the bill attempted to do.

Senator Yellowtail asked if senior citizens could not get into "casinoization" under this bill. Valencia Lane replied that they must be non-profit (page 6, lines 2-9).

Senator Halligan advised the Committee that page 7, Section 2, limits games to members and guests.

Senator Towe's motion to amend HB 847 carried with all members voting aye except Senator Harp who voted no.

Recommendation and Vote:

Senator Towe made a motion that HB 847 BE CONCURRED IN AS AMENDED. The motion carried unanimously. Senator Towe was asked to carry the bill.

EXECUTIVE ACTION ON HOUSE BILL 494

Motion:

Discussion:

Amendments, Discussion, and Votes:

Chairman Pinsoneault advised the Committee that he wanted to address how the funds would be split.

Valencia Lane explained that the amendments leave the bill in essentially the same form, but allow the county treasurer to divide up funds (Exhibit #8).

Senator Towe commented that the reinstatement fee was raised from \$50 to \$100. Valencia Lane further explained that the program is already in statute, and assesses a \$50 fee to the counties with DUI Task Force Programs. She said the bill only doubles that amount.

Chairman Pinsoneault stated that Lake County has the highest DUI rate in the state, and that the Task Force is working very well there.

SENATE STANDING COMMITTEE REPORT

Page 1 of 2
April 1, 1991

MR. PRESIDENT:

We, your committee on Judiciary having had under consideration House Bill No. 847 (third reading copy -- blue), respectfully report that House Bill No. 847 be amended and as so amended be concurred in:

1. Title, line 5.

Strike: "SECTION"

Insert: "SECTIONS"

Following: "23-5-112"

Insert: "AND 23-5-177"

2. Page 2, line 12.

Following: "table"

Insert: ":

(a)"

3. Page 2, line 14.

Following: "operator"

Insert: "; or

(b) operated by a senior citizen center"

4. Page 4, line 8.

Following: "operator"

Insert: "or in a senior citizen center"

5. Page 7, line 12.

Strike: "23-5-306, 23-5-308, AND 23-5-309"

Insert: "23-5-407 and 23-5-409"

6. Page 7, line 18.

Strike: "CARD"

Insert: "bingo"

7. Page 7, line 20.

Following: line 19

Insert: "Section 4. Section 23-5-177, MCA, is amended to read:

"23-5-177. Operator of gambling establishment -- license -- fee. (1) It is a misdemeanor for a person who is not licensed by the department as an operator to make available to the public for play a gambling device or gambling enterprise for which a permit must be obtained from the department.

(2) An operator's license must include the following information:

(a) a description of the premises upon which the gambling will take place;

(b) the operator's name;

(c) a description of each gambling device or card game table ~~licensed~~ for which a permit has been issued to the operator by the department for play upon the premises, including the type of game and ~~license number or level~~ permit number for each licensed game; and

(d) any other relevant information determined necessary by the department.

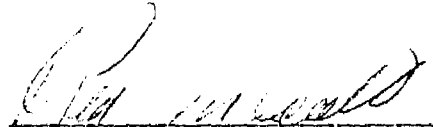
(3) The operator's license must be issued annually along with all other ~~licenses~~ permits for gambling devices or games ~~licensed~~ issued to the operator.

(4) The operator's license must be updated each time a gambling device or card game table ~~license~~ permit is newly issued or the device or game is removed from the premises.

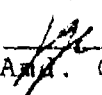
(5) The department may not charge a fee for the issuance of an operator's license.

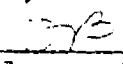
(6) The operator's license must be prominently displayed upon the premises for which it is issued."

Renumber: subsequent section

Signed: 

Richard Pinsoneault, Chairman

 4-1-91
Asst. Coord.

 4-1-91
Sec. of Senate

4-1-91
HB 847

Amendments to House Bill No. 847
Third Reading Copy (BLUE)

Requested by Senator Towe
For the Committee on Judiciary

Prepared by Valencia Lane
March 25, 1991

1. Title, line 6.
Strike: "SECTION"
Insert: "SECTIONS"
Following: "23-5-112"
Insert: "AND 23-5-177"

2. Page 2, line 13.
Following: "table"
Insert: "
 (a)"

3. Page 2, line 14.
Following: "operator"
Insert: "; or
 (b) operated by a senior citizen center"

4. Page 4, line 8.
Following: "operator"
Insert: "or in a senior citizen center"

5. Page 7, line 12.
Strike: "23-5-306, 23-5-308, AND 23-5-309"
Insert: "23-5-407 and 23-5-409"

6. Page 7, line 18.
Strike: "CARD"
Insert: "bingo"

7. Page 7, line 20.
Following: line 19
Insert: "Section 4. Section 23-5-177, MCA, is amended to read:
 "23-5-177. Operator of gambling establishment -- license --
fee. (1) It is a misdemeanor for a person who is not licensed by
the department as an operator to make available to the public for
play a gambling device or gambling enterprise for which a permit
must be obtained from the department.

(2) An operator's license must include the following
information:

(a) a description of the premises upon which the gambling
will take place;

(b) the operator's name;

(c) a description of each gambling device or card game
table licensed for which a permit has been issued to the operator
by the department for play upon the premises, including the type
of game and ~~license number or deal~~ permit number for each

~~licensed~~ game; and

(d) any other relevant information determined necessary by the department.

(3) The operator's license must be issued annually along with all other ~~licenses~~ permits for gambling devices or games ~~licensed~~ issued to the operator.

(4) The operator's license must be updated each time a gambling device or card game table ~~license~~ permit is newly issued or the device or game is removed from the premises.

(5) The department may not charge a fee for the issuance of an operator's license.

(6) The operator's license must be prominently displayed upon the premises for which it is issued.""

Renumber: subsequent section